



NALEDI LOCAL MUNICIPALITY DRAFT ANNUAL REPORT

2011/2012 FINANCIAL YEAR

1	<u>MAYOR’S FOREWORD</u>	<u>5</u>
2	<u>FOREWORD BY THE ACTING MUNICIPL MANAGER</u>	<u>7</u>
3	<u>INTRODUCTION AND OVERVIEW</u>	<u>9</u>
3.1	BACKGROUND.....	9
3.2	VISION	9
3.3	MISSION.....	9
3.4	VALUES	9
3.5	OVERVIEW OF THE MUNICIPALITY	10
4	<u>PERFORMANCE HIGHLIGHTS</u>	<u>18</u>
4.1	PERFORMANCE OF SERVICE PROVIDERS	20
4.2	SERVICE DELIVERY BACKLOG.....	22
4.3	USE AND DETAILS OF CONDITIONAL GRANTS	28
5	<u>MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT</u>	<u>29</u>
5.1	POWERS AND FUNCTIONS	29
5.2	ADMINISTRATIVE COMPONENT.....	30
5.2.1	HUMAN RESOURCE MANAGEMENT POLICY	30
5.2.2	MANAGEMENT	31
5.2.3	EMPLOYMENT EQUITY	32
5.2.4	OVERALL ORGANIZATIONAL STRUCTURE.....	36
6	<u>FLEET MANAGEMENT</u>	<u>37</u>
6.1	FLEET MANAGEMENT	37
6.1.1	VISION.....	37
6.1.2	MISSION	37
6.1.3	ACHIEVEMENTS.....	40
6.1.4	CHALLENGES.....	40
6.1.5	RECOMMENDATIONS	40
6.1.6	INTERVENTIONS.....	41
7	<u>MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT</u>	<u>42</u>
7.1	INTRODUCTION.....	42

7.2	FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS.....	42
7.3	FINANCIAL VIABILITY	43
7.3.1	DEBT COVERAGE	43
7.3.2	PRICING OF SERVICES	43
7.3.3	RATES:.....	43
7.3.4	SERVICE CHARGES	43
7.3.5	INDIGENTS.....	44
7.3.6	GENERAL.....	44
7.4	INTERVENTION MEASURES PLANNED FOR 2011/12 GOVERNMENT DEBT	44
7.4.1	COUNCIL PROPERTIES:	44
7.4.2	ARREST A DEBT:.....	44
7.4.3	MAJOR DEBTORS.....	45
7.4.4	RECESSION AND NATIONAL CREDIT ACT	45
7.4.5	OUTSTANDING CONSUMER DEBTORS PER CLASS.....	45
7.5	CAPITAL EXPENDITURE BY THE MUNICIPALITY	46
7.5.1	GRANTS AND SUBSIDIES.....	46
7.5.2	PROPORTION OF GRANTS OVER THE PAST 2 YEARS IN FIGURES	46
7.5.3	EQUITABLE SHARE.....	46
7.6	EXPENDITURE BY TYPE.....	49
7.7	REPAIR AND MAINTENANCE OPERATING EXPENDITURE	51
7.8	COMPLIANCE WITH THE MFMA	51
8	<u>LOCAL ECONOMIC DEVELOPMENT</u>	<u>54</u>
8.1	BACKGROUND.....	54
8.2	WHAT IS LOCAL ECONOMIC DEVELOPMENT	54
8.3	STRATEGIC GOALS OF LED	55
8.3.1	SUSTAINABLE ECONOMIC GROWTH:.....	55
8.3.2	JOB CREATION:.....	55
8.3.3	EDUCATION, TRAINING AND SKILLS DEVELOPMENT:	55
8.3.4	POVERTY REDUCTION:.....	55
8.3.5	BROAD BASED BLACK ECONOMIC EMPOWERMENT:	55
8.3.6	NALEDI MUNICIPALITY'S VISION FOR ECONOMIC DEVELOPMENT	56
9	<u>INTEGRATED DEVELOPMENT PLANNING</u>	<u>57</u>
9.1	INTRODUCTION	57
9.2	IDP CAPACITY RANKING OF THE MUNICIPALITY.....	57
9.3	SPATIAL DEVELOPMENT FRAME WORK (SDF)	58
9.4	CHALLENGES	58

<u>10</u>	<u>DISASTER MANAGEMENT PLAN.....</u>	<u>59</u>
10.1	KEY PERFORMANCE AREA.....	59
10.2	IDP OBJECTIVE OF THE DIVISION.....	59
10.3	MEASURABLE INDICATOR	59
10.4	PROGRESS IN THE IMPLEMENTATION OF THE DISASTER MANAGEMENT ACT	59
10.4.1	DEVELOPMENT OF DISASTER MANAGEMENT.....	59
10.4.2	ESTABLISHMENT OF DISASTER MANAGEMENT ADVISORY FORUM.....	59
10.5	CHALLENGES.....	60
<u>11</u>	<u>PUBLIC PARTICIPATION AND GOOD GOVERNANCE.....</u>	<u>62</u>
11.1	WARD COMMITTEES.....	62
11.1.1	STATUS OF WARD COMMITTEES	62
11.1.2	FUNCTIONALITY OF WARD COMMITTEES.....	62
11.2	COMMUNITY DEVELOPMENT WORKERS (CDW)	62
11.3	INTERGOVERNMENTAL RELATIONS	62
11.4	COUNCILORS	63
11.4.1	IMBIZOS	63
<u>12</u>	<u>PERFORMANCE MONITORING, REPORTING AND EVALUATION.....</u>	<u>64</u>

1 MAYOR'S FOREWORD



The Annual Performance Plan for 2011/2012 is the first step towards the realisation of the outcomes targeted in the Integrated Development Plan 2012 – 2017. We have since placed the municipality on a trajectory of performance and proper planning. We are still to reap the rewards.

We have established the Performance Management Unit so that we are able to measure and monitor our work going forward against the milestones that we have set for ourselves.

The challenges that we still have to overcome are many but we have resolved to tackle them one by one. One of the things that we set for ourselves is to develop an organic and reliable Integral Development Plan for this term of political office. We have to ensure that we align our work to the municipal turnaround strategy and we gear ourselves to achieving clean audit by 2014.

Because we are an integral part of the country and the world, our work is also influenced by other developments in our country and elsewhere in the world. We are alive to the developments in our country as far as the New Growth Path, the National Development Plan and the Millennium Development Goals. These national and global goals are very important to be realised at the point of service delivery if we were to turn the lives of our people around and realise a future we can be proud of.

The fight of the triple challenge of our time, that of poverty, inequality and underdevelopment underpins our planning, performance and service standards we have set for ourselves. We are aware that we operate under conditions that are not of our choosing, but it is the progress that we make under these conditions that inspire and make us to look at the future boldly without fear.

I am confident of the human resource crop that we are having that it is able to pull the task ahead. A lot of work has been put in place to ensure that we are able to instil a sense of work ethics and professionalism. At the end of it all, it is the same human resource that is responsible for the achievement of the set goals.

The financial year under review has been especially challenging for the municipality, we had many changes in the management structure and labour turnover has been high. Critical positions remain unfilled, we therefore have to develop human resource retention strategy and ensure that we create an

atmosphere of a pleasant workplace. These inconsistencies will invariably affect the level of service delivery.

Given the complex nature of our municipality, and the challenges that are there, it is my pleasure to indicate that part of the work which we did not achieve, we will however, ensure that we achieve it as a team.

It is against this background and perspective that this draft annual report should be understood and evaluated.

Warm regards,

Clr. Mpolokeng Mahase

Mayor/Speaker

Naledi Local Municipality FS 164

2 FOREWORD BY THE ACTING MUNICIPAL MANAGER

Taking over as Acting Municipal Manager of Naledi Local Municipality was and still is a daunting task. With the little resources we have in our presence, we administratively managed to ensure smooth transition of the work left behind by my predecessors, the late Mr. NW Tukani who passed away catastrophically. With his managerial skills, ability and experience, Naledi Local Municipality will continue to remember him because he bestowed passion for the development of this Municipality and its community. His excellent legacy will be carried over to the next generation.

This Municipality was then blessed by the presence of Mr. Amos Goliath, who came to work with us as an intervention from CoGTA Provincial Department for a very short period. With Mr. Goliath, the administration, on the one hand did achieve a lot of good things. Indeed, more work was done and from what we all agreed on as management, we will ensure that we reach the level of quality service delivery we always want to provide to our people.

Challenges and problems which face us as a municipality are matters which are entailed in our IDP (2012/2017) and Budget (2012/2013) as adopted by the Council simultaneously. We will work according to this mandate from the people, which we received during our community consultations. We are very proud to have supportive stakeholders, provincial sector departments, government owned entities and private sector.

It is however, very significant to notice that the most essential issue is to ensure delivery provided to the people, as the Mayor/Speaker of this Council has once presented to the community of Naledi Municipality that we must be true to our mission statement that enjoins us to strive to work as a committed team towards achieving the municipality's objectives by means of the following:

1. Improve our capacity in terms of resources.
2. Ensure effective communication and consultation between all stakeholders
3. Absolute commitment towards the implementation of our plans, programmes and strategies.
4. Strengthening our institutional capacity
5. Develop a clear understanding, interpretation and implementation of local government legislation and policies.
6. Ensure proper accountability relating to clear roles and responsibilities.
7. We have welcomed the support we are receiving from Xhariep District Municipality – we also would like to believe that more developments are coming our way.

In conclusion, let me thank the Council led by Ms. M. Mahase as the Speaker/Mayor of this Municipality which had confidence in me when things were tough within the administration – which I must take over temporarily until the Council appoints an incumbent in the position of the Accounting Officer.

As we are proceeding to work together, I am certain that we will achieve more through our committed Council and administration.

Ms. N. Sigadi

Acting Municipal Manager

Naledi Local Municipality-FS 164

3 INTRODUCTION AND OVERVIEW

3.1 Background

Section 26 (a) of the Municipal Systems Act (Act 32 of 2000) provides for the recognition and inclusion of the Municipal Council's vision with special emphasis on the critical development and internal transformation needs. The municipality's developmental strategy phase focuses on the future through the setting of objectives and appropriate strategies to achieve these objectives.

3.2 Vision

The municipality views the vision and mission statements as critical component for development. This is because certain steps were to be followed to have a credible vision and mission statements developed.

The vision developed by the municipality reads as follows:

"A constantly progressive municipality where quality services and a healthy and safe environment empower the harmonized community to develop their own economic security in a sustainable local future for all."

3.3 Mission

To work as a committed team towards achieving the municipality's objectives by means of the following:

1. Ensure effective communication and consultation between all stakeholders
 2. Improve our capacity in terms of resources
 3. Absolute commitment towards the implementation of our plans, programmes and strategies
 4. Strengthening our institutional capacity
 5. Develop a clear understanding, interpretation and implementation of Local Government Legislation and Policies
 6. Ensure proper accountability relating to clear roles and responsibilities.
-

3.4 Values

The above stated vision and mission will be attained through the following set of core values.

1. Democratic values
2. Good governance
3. Transparency
4. Honesty
5. Trust
6. Equity
7. Commitment

8. Accountability
9. Professional approach

3.5 Overview of the Municipality

The Naledi Local Municipality was established in terms of Section 14 of the Local Government:

Municipality Structure Act, Act No 117 of 1998 and was published in Provincial Gazette no 109 dated 28 September 2000. This Local Municipality is a category B municipality with a plenary executive system as contemplated in Section 3(b) of the Determination of Types of Municipality Act, 2000 (Act No 1 of 2000).

The powers and functions assigned to the Municipality are stipulated in sections 156 and 229 of the Constitution and Sections 83 and 84 of the Local Government: Municipal Structures Act, 1998

Institutional Profile-Political component (Plenary Council)

The Council of Naledi Local Municipality consists of a total of 8 councilors, 4 of which are ward councilors and 4 Proportional Representative Councilors, Only the mayor/speaker is full-time.

Composition, Boundaries and Size

Naledi is situated in the south eastern Free State, and forms part of Xhariep District Municipality area. The local municipality area measures 11 933.24 km² and comprises the former TLCs of Dewetsdorp, Wepener, Van Stadensrus, as well as a part of the former South East, Central South and Bloem area District TLCs. The individual sizes of these areas are indicated in the table below:

Composition and size of municipal area

COMPONENT	SIZE (Km²)
Dewetsdorp	2 511.43
Wepener & Van Stadensrus	1 749.15
Farmland	7 672.66
TOTAL	11 933.24

Source: Naledi Local Municipality SDF, 2005

Population Profile

The population size within the entire municipal area is estimated at 21 145 people for 2007/2008 financial year, as indicated in the table below;

Population Profile

NALEDI	PROJECTED COMMUNITY POPULATION PER ANNUM							
	BASELINE	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008 Est.	2008/2009 est.	2009/2010 est.
Wepener	1 945	1 969	1 992	2 016	2 038	2 061	2 082	2 104
Ebenhaezer hoogte	916	927	938	949	960	970	981	991
Qibing	5 123	5 186	5 248	5 309	5 369	5 428	5 485	5 541
Kanana	2 063	2 088	2 113	2 138	2 162	2 186	2 209	2 231
DEWETSDORP	1 067	1 080	1 093	1 106	1 118	1 130	1 142	1 154
Morojaneng	7 826	7 922	8 017	8 110	8 202	8 291	8 379	8 465
VANSTADENSRUS	141	143	144	146	148	149	151	153
Thapelong	878	889	899	910	920	930	940	950
TOTAL	19 959	20 205	20 446	20 684	20 917	21 145	21 370	21 589

Source: Statistic SA, Community Survey 2007

From the above information, it is evident that the population is fairly evenly spread across the two larger towns of Dewetsdorp and Wepener. There is however no definite predominant urban concentration of people, although Wepener has fairly higher population numbers. There is a constant increase in migration of people from the rural areas to the towns and this creates pressure on urban infrastructure and services.

General Statistical Figures as per Statistics SA 2007

Naledi by population group and gender;

FS 164 NALEDI TOTAL	BLACK AFRICA	COLOURED	INDIAN /ASIAN	WHITE	TOTAL
MALE	11, 848	484	52	843	13,226
FEMALE	12,936	451	42	823	14,252
TOTAL	24,784	935	94	1,666	27,478

Table 1.5.4: Industry by geography for person weighted, 16-35

INDUSTRY	FS 164 NALEDI	FREE STATE
Agriculture, hunting, forestry & fishing	800	48,095
Mining & quarrying	7	13,949
Manufacturing	37	25,063
Electricity, gas & water supply	39	1,459
Construction	96	8,831
Wholesale & retail trade	200	37,840
Transport, storage & communication	34	8,548
Financial, insurance, real estate and business service	62	17,474
Community, social and personal services	-	18
Private households	437	27,428
Undetermined	434	21,732
Others	6,960	724,024

Population in terms of Education Levels			
		Male	Female
Grade 0 - Attained grade 12; out of class but not completed grade 12	Black	7275	9062
	Coloured	256	194
	Indian or Asian	59	23
	White	179	100
Grade 12/Std 10/NTC III (without university exemption) - Certificate with grade 12	Black	1005	860
	Coloured	-	-
	Indian or Asian	3	23
	White	319	409
Diploma with grade 12 - Post graduate diploma	Black	80	134
	Coloured	-	-
	Indian or Asian	-	-
	White	111	134
Honour's degree - Higher degree (masters/PhD)	Black	-	25
	Coloured	-	-
	Indian or Asian	20	-
	White	54	5

Type of dwelling for Household FS164: Naledi Local Municipality	
	Number of House Holds
House or brick structure on a separate stand or yard	6132
Traditional dwelling/hut/structure made of traditional materials	212
Flat in block of flats	52
Town/cluster/semi-detached house (simplex: duplex: triplex)	-
House/flat/room in back yard	95
Informal dwelling/shack in back yard	167
Informal dwelling/shack NOT in back yard e.g. in an informal/squatter settlement	1484
Room/flatnot in back yard but on a shared property	74
Caravan or tent	-
Private ship/boat	18
Workers' hostel(bed/room)	24

Access to water for Household FS164: Naledi Local Municipality	
Piped water inside the dwelling	4145
Piped water inside the yard	3534
Piped water from access point outside the yard	434
Borehole	136
Spring	-

Dam/pool	-
River/stream	-
Water vendor	12
Rain water tank	-

Disability and Population group by Gender		Gender	
FS164: Naledi Local Municipality		Gender	
		Male	Female
Sight	Black	65	111
	Coloured	-	-
	Indian or Asian	-	-
	White	46	33
Hearing	Black	32	67
	Coloured	-	-
	Indian or Asian	-	-
	White	-	-
Communication	Black	23	32
	Coloured	-	-
	Indian or Asian	-	-
	White	23	-
Physical	Black	256	211
	Coloured	-	19
	Indian or Asian	-	-
	White	11	-
	Black	48	45

Intellectual	Coloured	-	20
	Indian or Asian	-	-
	White	-	-
Emotional	Black	45	113
	Coloured	-	-
	Indian or Asian	-	-
	White	-	-
Multiple disabilities	Black	-	45
	Coloured	-	-

Refuse disposal for Household - Naledi Local Municipality	
Removed by local authority/private company at least once a week	6553
Removed by local authority/private company less often	50
Communal refuse dump	48
Own refuse dump	1501
No rubbish disposal	127

Compilation of wards and registered voters

The Naledi area of jurisdiction consists of 4 wards with a total of 13 054 registered voters. The distribution of these voters amongst the different voting wards is indicated below:

Ward 1: 3 750 voters

Ward 2: 3 077 voters

Ward 3: 3 078 voters

Ward 4: 3 149 voters

This information is sourced from Naledi LM IEC Office

4 PERFORMANCE HIGHLIGHTS

2010/2011 FINANCIAL YEAR	2011/2012 FINANCIAL YEAR
WATER 1. Naledi LM: Refurbishment and Equipping of Boreholes	WATER Elevated tank and interlinking pipeline in Morojaneng, Dewetsdorp
SANITATION 1. Dewetsdorp (Morojaneng): Waterborne Sanitation 2. Construction of sewer line, connection to 113 households 3. Construction of Sewer outfall mainline	SANITATION 1. Dewetsdorp (Morojaneng): Waterborne Sanitation 2. Van Stadensrus: Upgrading of Waste Water Treatment Works 3. Construction of sewer line, connection to 113 Households 4. Construction of Sewer outfall mainline
ROADS AND STORMWATER 1. Paving of Roads (2.98km) in Dewetsdorp Morojaneng 2. Upgrading of Internal Streets in Naledi (Dewetsdorp, Riverside) 3. Wepener: Construction of low level bridge and access road	ROADS AND STORWATER 1. Wepener: Construction of low level bridge and access road 2. Upgrading of Internal Streets in Naledi (Dewetsdorp, Riverside)
LAND AND HOUSING None	LAND AND HOUSING 1. Construction of 200 houses in Dewetsdorp 2. Construction of 150 houses in Wepener 3. Formalization of 115 households in Van Stadensrus 4. Review of the housing sector plan

REFUSE AND SOLID WASTE MANAGEMENT	REFUSE AND SOLID WASTE MANAGEMENT
None	None
SPORTS FACILITIES	SPORTS FACILITIES
Construction of Sports Facility in Thapelong, Van Stadensrus	Construction of Sports Facility in Thapelong, Van Stadensrus

4.1 PERFORMANCE OF SERVICE PROVIDERS

<u>Name of Service Provider</u>	<u>Name of Project</u>	<u>SLA signed</u>		<u>Project Starting Actual Date</u>	<u>Completion Date</u>	<u>Specs met</u>		<u>Status</u>	<u>Percentage</u>
		YES	NO			YES	NO		
Phumaf Consulting and Big Bravo Construction	Paving of Roads (2.98 km) in Dewetsdorp, Morojaneng	Yes		15 February 2010	22 February 2011	Yes		Complete	100%
LTE Consulting and FMP Joint Venture	Construction of Sports Facility in Thapelong, Van Stadensrus	Yes		June 2006	30 April 2013 Phase 2 in Tender	Yes		New design submitted to DETEA for ROD	50% Construction
Design and Tender	Dewetsdorp (Morojaneng) : Waterborne sanitation Ext 7							Project will be on next RBPAC for approval	0%
TGM Supplyland cc	Naledi LM: Refurbishment and Equipping of Boreholes	Tender document		11 November 2010	17 February 2012	Yes		Complete	100%
Phethogo Consulting and Dovetail	Van stadensrus:	Yes		31 March 2011	30 August 2012	Yes		Sub Contractor busy with Oxidation	78% Construction

Contractor	Upgrading of Waste Water Treatment Works							ponds	
LTE Consulting and FMP Pro Construction Joint Venture	Wepener: Construction of low level bridge and access road	Yes		03 June 2011	31 August 2012	Yes		Project is almost completed	98% Construction
LTE Consulting Design and Tender	Elevated tank and interlinking pipeline in Morojaneng, Dewetsdorp	Yes		28 February 2012	17 December 2014	Yes		Design and Tender	0%
Kgato Project Management and Thembinkosi Investments cc	Upgrading of Internal Streets in Naledi (Dewetsdorp, Riverside)			09 May 2011	09 November 2012	Yes		Complete	100%
	Construction of Sewer Outfall mainline							Complete	100%
	Construction of sewer line, connection to 113 Households								50% Construction

4.2 SERVICE DELIVERY BACKLOG

BASIC SERVICES		
	1.3.1. Roads	
	Development of roads infrastructure maintenance plan	
	Construction of roads and storm water infrastructure	
	Procurement of Earth moving Plant/ vehicles dedicated for roads and storm water	
	Construction of speed humps in identified areas.	
	Re-gravelling of streets in all three towns	
	1.3.2. Water	1.3.2. Water
	Provision of portable water to high lying areas in Dewetsdorp and Vanstadensrus	Provision of Water Master Plan
	Provision of water meters to 2000 ervens in Wepener and Dewetsdorp	Provision of Operations and maintenance Plan
	Provision of water infrastructure to 1300 ervens in all three towns	Provision of Risk Abatement Plan
	Upgrading of water treatment works in Vanstadensrus	
	Resuscitation of two boreholes in Wepener	

	Development of Water services Plan	
	1.3.3. Sanitation	
	Provision of Waste Water Risk Abatement Plan	
	Provision of Operations and maintenance Plan	
	Provision of Waste Water infrastructure to 1300 ervens in all three towns	
	1.3.4. Electricity	
	Provision of Electricity to 1300 Ervens in all three towns	
	Provision of high mast lights in Identified areas	
1.6. HOUSING		
Housing supply Dewetsdorp 339 (as per the current waiting list)	Housing supply Wepener 224 (as per the current waiting list)	Housing supply 101 Van Stadensrus (as per the current waiting list)
Formalisation of 50 sites in Dewetsdorp	Formalisation of 30 sites Van Stadensrus	Acquisition of land (Van Stadensrus)
Erven numbering (in line with Surveyor General Map) in three towns	Sites/houses for public servants	Provision for Housing Unit Personnel
	Development of Housing Sector and Spatial Development Framework	Refurbishment of Municipal Buildings in Dewetsdorp and Wepener

4. INSTITUTIONAL TRANSFORMATION		
<p>Management should ensure that they adhered to Section 78 of the MFMA (Leadership)</p> <p>Development, Review and implementation of Service Level Agreements</p> <p>Development of IT disaster recovery plan</p> <p>Development of policies and procedures regarding Technical Standards</p>	<p>Development of Website</p> <p>Implementation of effective HR management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored</p> <p>Management should ensure that they adhere to Section 78 of the MFMA</p> <p>Compilation of a register regarding Contingent Liabilities and supporting documentations thereof in order to disclosure note in the financial statements</p> <p>Support the municipality on conduction of work-study.</p> <p>Implementation of PMS.</p>	<p>Development of by-laws</p>
5. GOOD GOVERNANCE AND TRANSFORMATION		
<p>Ensure public participation structures are functional e.g. ward committees.</p> <p>Ensure that CDW's are effective.</p> <p>Ensure that ward public meetings are convened.</p> <p>Ensure that Local Imbizos are convened.</p>	<p>Train Naledi ward committee.</p> <p>Enter into a service level agreement with Naledi on the use of CDW's.</p> <p>Support the municipality during local Imbizos.</p>	<p>Train Naledi ward committees.</p> <p>Cooperate with CDW's.</p> <p>Help with coordination of public meeting and Imbizos.</p>

Ensure participation of all councillors in IDP and Budget process.		
Support management on IDP implementation initiatives.	<p>Support the municipality of policy development.</p> <p>Support the municipality on by-law formulation and proclamation process.</p> <p>Support the municipality on organisational design.</p> <p>Support the municipality on conducting work-study.</p> <p>Support the municipality to improve the IDP rating from medium to high.</p> <p>Support the municipality to improve its section 46 report in terms of the MSA.</p> <p>Support the municipality to improve its section 121 of the MFMA.</p> <p>Implementation of PMS.</p>	<p>Review of municipal policies.</p> <p>Development of by-laws.</p> <p>Conduct organisational design.</p> <p>Conduct work-study.</p> <p>Improve the quality of the IDP (Train Staff in IDP Unit)</p> <p>Prepare section 46 report.</p> <p>Prepare section 121 report.</p> <p>Implement PMS.</p>

Summary of service delivery backlog issues

FINANCIAL VIABILITY MANAGEMENT		
	1.3.1 Financial and Performance Management	1.3.2. Lack of adequate Human Resources
	<p>Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting</p> <p>Implement controls over daily and monthly processing and reconciling of transactions</p> <p>Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information</p> <p>Review and monitor compliance with applicable laws and regulations</p> <p>Design and implement formal controls over IT systems to ensure the reliability of the systems and the availability, accuracy and protection of information</p>	<p>Competency levels - ensure plans enable finance officials to meet minimum competency levels in terms of Regulation</p> <p>Appointment of qualified personnel</p> <p>Training of staff regarding financial system</p>
	1.3.2. Assets Management	1.3.3. SCM
	<p>Updating of GRAP Compliance Asset Register</p> <p>Unbundling of infrastructure assets</p>	<p>Review structure & representation of Specification Committee, Evaluation Committee and Adjudication Committee</p>

	Reconciliation of General Ledger with Asset Register	<p>Implementation of SCM policy & Regulations</p> <p>Ensure unsolicited bids are dealt with in accordance with s113 of MFMA & Regulations</p> <p>Prepare & implement procurement plan for current operation & capital expenditure</p>
	1.3.4. Operation Clean Audit 2014	1.3.5. Revenue Management
	<p>Implementation of Audit Action Plan</p> <p>Compliance with MFMA</p> <p>Monitoring completion of MFMA implementation priorities</p>	<p>Develop debt recovery strategy</p> <p>Debtors Cleansing exercise</p> <p>Update indigent Register</p> <p>Charged interests on arrears, unless otherwise agreed</p>
	1.3.6 Expenditure Management	
	<p>Ensure all expenditure is incurred in terms of the budget & within limits of budget votes</p> <p>Ensure proper record keeping is implemented</p> <p>Payment of disputes are recognized and appropriately resolved</p> <p>Ensure that payments are paid within 30 days</p> <p>Salaries are reconciled monthly</p> <p>Clearing of suspense accounts</p>	

4.3 USE AND DETAILS OF CONDITIONAL GRANTS

Capital Grants			
Equitable Share		32,542,000	29,881,536
Financial Management Grant		1,896,408	950,507
Municipality Infrastructure Grant		13,807,975	11,764,000
Municipal Systems Improvement Grant		1,236,538	383,099
Provincial Grant		-	4,765,005
Other		-	2,254,133
Total Government Grant and Subsidies		49,482,920	49,998,281

5 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

5.1 POWERS AND FUNCTIONS

Constitutional Powers and Functions of Naledi Local Municipality

Chapter 3 of Municipal Systems Act, 2000 states that a municipality has all the functions and powers assigned to it in terms of the Constitution, and must exercise them subject to Chapter 5 of the Municipal Structures Act, 1998. Furthermore, a municipality is empowered by legislation to do anything reasonably necessary for, or incidental to, the effective performance of its functions and the exercise of its powers.

Against this legislative directive, we understand and interpret our powers and functions aligned with objects of local government as set out in section 152 of the Constitution as follows:

Table: Functions and Powers of Naledi Local Municipality

OBJECT OF LOCAL GOVERNMENT	OUR FUNCTIONS AND POWERS
To provide democratic and accountable government for local communities	Developmental municipal planning
To ensure the provision of services to communities in a sustainable manner	Building regulations
To promote a safe and healthy environment	Municipal airports
	Storm water drainages
	Cemeteries
	Local amenities
	Municipal roads
	Water and sanitation services
	Street lighting
	Traffic and parking

	Refuse removal and refuse dumps Cleansing Municipal health services Fire fighting Licensing of dogs Pounds Local sport facilities Municipal parks and recreation
To promote social and economic development	Local tourism Street trading Trading regulations Sell food to the public Public places
To encourage the involvement of communities and community organizations in the matters of local government.	Community participation Fair, equitable and transparent supply chain practices

5.2 ADMINISTRATIVE COMPONENT

The Municipality has a total workforce of 154 employees including temporary employees. Personnel cost constitutes 23% the Municipality's total Operating Budget.

In order to deliver an effective human resource management function to its work force, the municipality has developed the following strategies, plans and policies:

5.2.1 Human Resource Management Policy

Sexual and other harassment Policy	29 January 2007
Smoking policy	29 January 2007
Staff Performance Management Policy	29 January 2007

Rainy Day Policy	29 January 2007
Recruitment Policy	29 January 2007
Vehicle Usage and Vehicle Accident Policy	29 January 2007
HIV/AIDS Policy	29 January 2007
Network Policy	29 January 2007

5.2.2 Management

The Municipal Manager is the Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his directors. The Management team is supported by staff employed by the municipality to deliver on municipal services and political priorities. The municipal Manager and Directors are appointed on a fixed term contract period (MSA,S57)

The actual positions are supposed to be filled per post level and per functional level are indicated in the tables below:

Table 3.1 S57

2 (Two) MSA section 56 Manager's position are vacant but filled with Acting capacities.

PORTFOLIO	NAME
Acting Municipal Manager	Ms. Nomthandazo Sigadi
Corporate Social Services Director	Ms. Nomthadazo Sigadi
Chief Financial Officer	Mr. Thabang Moses
Acting Technical Services Manager	Mr. Teboho Tsekedi

The actual positions are supposed to be filled per post level and per functional level are indicated in the tables below:

Table 3.2 Vacant, Filled total posts per level

Functional Area	Filled	Vacant	Total Number of Positions
MM, CFO, CSS & DTS	2	2 Acting	4

Middle Management	7	5	12
Supervisors (Junior Managers)	18	4	22
Clerks	9	3	12
General workers	92	30	122
Temporary	17	0	17
Interns	4	1	5
TOTAL	161	43	0

5.2.3 Employment equity

The Employment Equity Act dictates that all workplaces promote equity in terms of gender, race and disability. Total number of employees determines frequency for submission of employment equity plan. Therefore, Naledi Municipality qualifies to submit such report by monthly due to its low population. The municipality has an approved employment equity plan that is implemented when all vacant posts are filled.

Number of employees in each of the following occupational categories:

Table 3.2.1 employees per race and gender category

Occupational Categories	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	1	0	0	0	3
Middle Management	9	0	0	0	1	0	0	0	10
Professionally qualified and Experienced Specialist	6	0	0	1	2	0	0	0	9

Skilled Technical and academically qualified workers, junior management, supervisors, foreman and superintendents	10	0	0	1	6	0	0	1	18
Semi-skilled qualified and discretionary decision making	5	0	0	0	4	0	0	0	9
Plant and machine operators and assemblers	13	0	0	0	0	0	0	0	13
TOTAL PERMANENT	45	0	0	2	14	0	0	1	62
Non-Permanent employees(temps)	16	0	0	0	5	0	0	0	21
Interns	2	0	0	0	5	0	0	0	7
TOTAL	63	0	0	2	24	0	0	1	90

Recruitment (total number of new recruits during the year)

Table 3.2.2 Recruitment per gender and race category

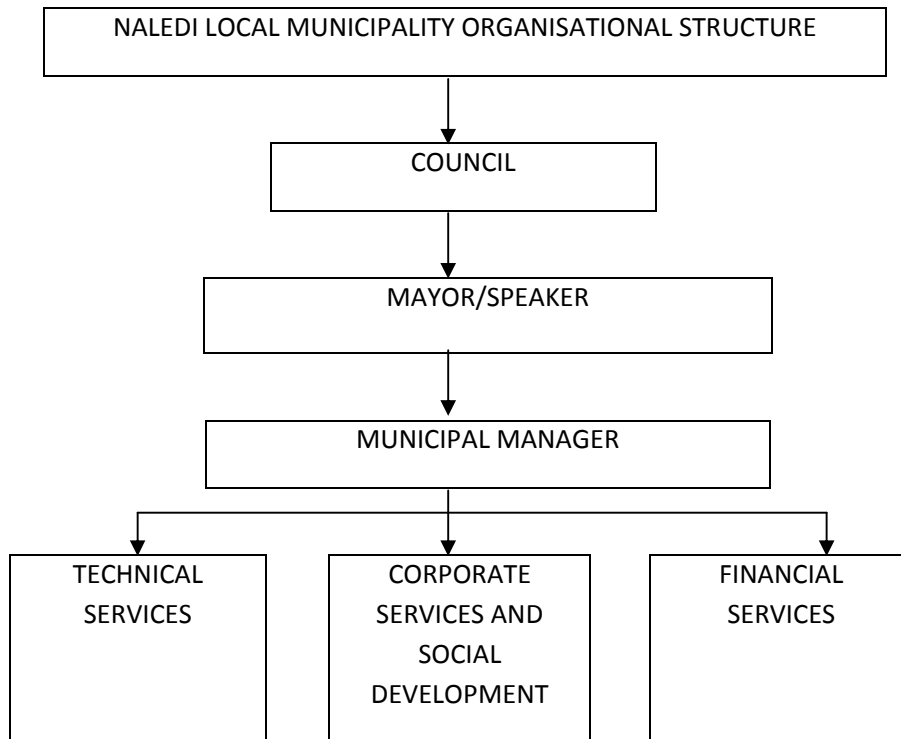
Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	white	
Top Management	2	-	-	-	1	-	-	-	3
Middle Management	2	-	-	1	1	-	-	-	4
Professionally qualified and Experienced Specialist	2	-	-	1	1	-	-	-	4
Skilled Technical and academically qualified workers, junior management, supervisors, foreman and superintendents	-	-	-	-	-	-	-	-	-
Semi-skilled qualified and discretionary decision making	-	-	-	-	-	-	-	-	-
Total permanent	4	-	-	1	2	-	-	-	7
People with disabilities	-	-	-	-	-	-	-	-	-

Termination categories: (Total number of terminations in each category during the year)

Table 3.2.4 Terminations per gender, race and category

Terminations	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Resignation	2	-	-	-	3	-	-	-	5
Non-renewal of contract	-	-	-	-	-	-	-	-	-
Dismissal Operational requirements (retirement/retrenchment)	8	-	-	-	-	-	-	-	8
Dismissal-misconduct	-	-	-	-	-	-	-	-	-
Dismissal Incapacity	-	-	-	-	-	-	-	-	-
Deceased	1	-	-	-	1	-	-	-	2
TOTAL	11	-	-	-	4	-	-	-	15

5.2.4 Overall organizational structure



The council as elected on 18 May 2011 is as follows:

NAME	POLITICAL PARTY	WARD
M.M Mahase	ANC	Proportional Representative Councilor
M.D. Mahloko	ANC	Proportional Representative Councilor
M.G Tlali	ANC	Ward 3
J.J Makitle	ANC	Ward 4
M.L. Sehloho	ANC	Ward 1
M. Seoko	ANC	Ward 2
K. Rakhunoana	COPE	Proportional Representative Councilor
M. Haddad	DA	Proportional Representative Councilor

6 Fleet Management

6.1 FLEET MANAGEMENT

6.1.1 Vision

To assure that fleet management unit provides an efficient and most cost effective service for the supply of municipal transport and plant requirements to the various functional areas of the Naledi Local Municipality.

6.1.2 Mission

To establish efficient and effective municipal fleet services by providing Naledi Local Municipality with safe, reliable, economical, environmentally – sound transportation and related support services that are responsive to the needs of the Naledi community and that conserve vehicle value and equipment investment.

To introduce pool vehicle system which will ensure easy access to municipal vehicles by all departments, as vehicles will be controlled and managed from a central point i.e. Fleet Management office.

DEWETSDORP

Registration Number	Year Model & Description	Division	Remarks (Condition)
DKR 081 FS	KNCSE911277258452 KIA Bakkie	Water	Fair (disc not valid)
DKR 089 FS	KNCSE911277258451 KIA Bakkie	Roads, Parks & Cemeteries	Fair (standing due to engine and disc not valid)
DVT 978 FS	ADNK080000A004580 Nissan	Supervisor	Fair (disc not valid)
DJK 662 FS	NHTT75I2000161532 New Holland Tractor	Refuse	Good (disc not valid)
DJW 945 FS	NHTT75I2000174339	Sewer	Good (disc not valid)
CZT 248 FS	SALLDHAF74V053750 Land Rover	Disaster	Fair (standing due to brakes , service and

			disc not valid)
DVL 899 FS	LGWCB317XAB61628 7 GWM	Office	Good (disc not valid)
DLB 128 FS	WAUZZZ4L87DO9458 5 AUDI Q7	Mayoral Car	Fair (disc not valid)
DGT 079 FS	JTDKW923105008520 Toyota Yaris	Office	Fair (disc not valid)
EWB 545 FS	AG9BMABAH1042 Water Tank Trailer	Water	Good (the only problem is brakes)
BRW 875 FS	Flat Deck Trailer	Public Works	Fair (standing due to tyres and lights)
CKJ 324 FS	634061090 Hartland Trailer	Refuse	Poor
	Grader	Roads	Poor
	Refuse Trailer	Refuse	Fair
	Sewer Trailer (suig machine)	Sewer	Good
	Sewer Trailer	Sewer	Fair

WEPENER

Registration Number	Year Model & Description	Division	Remarks (Condition)
DKC 052 FS	ADNG020000B01172 3 Nissan	Sewer	Fair
DKR 068 FS	KNCSE911277258898 KIA bakkie	Roads, Parks	Poor
DJN 692 FS	KMFZBN7BR7029870 3 Hyundai bakkie	Supervisor	Poor

CJT 059 FS	AHT12YF8000003053 Toyota Condor	Water	Fair
CND 868 FS	AHT22YF6000002387 Toyota Stallion		Poor
DBM 395 FS	JTEB71J407050572 Toyota Land Cruiser	Disaster	Poor
DKL 853 FS	NHTT75I2000175839 New Holland Tractor	Refuse	Good
DKL 851 FS	NHTT75I2000174340 New Holland Tractor	Sewer	Good
	Refuse Trailer	Refuse	Fair
	Sewer	Sewer	Fair

VAN STADENSRUS

Registration Number	Year Model & Description	Division	Remarks (Condition)
DVT 980 FS	ADNK080000A00459 3 Nissan bakkie	Water	Good
CKS 813 FS	NHTT75I2000175839 Toyota Condor	Supervisor	Fair
DKL 852 FS	NHTT75I2000175839 New Holland Tractor	Refuse & Sanitation	Good
	Refuse trailer	Refuse	Fair
	Sewer trailer	sewer	Fair

6.1.3 Achievements

Major achievements have been reached due to the following contributing factors:

1. Introduction of Fleet internal controls to monitor and manage fleet abuse and /or misuse; Trip Authority, Vehicle pre- trip Checklist / inspections, trip logbooks, passenger authority and manager's unplanned spot checks.
2. Enforcement; proper monitoring and control over day-to-day fleet activities.
3. Citizen Satisfaction due to improved level of service delivery.
4. Establishment of effective and efficient Fleet Management Unit.

6.1.4 Challenges

Nonetheless, there are still some challenges faced by the municipality in effectively and efficiently managing the municipal fleet assets and they are as follows;

1. Inadequate security facilities at the workshop and store area where the fleet assets are to be based as a centralized point.
2. Deteriorating condition of most fleet assets due to ageing. (old machines and equipment)
3. Dilapidated and bad road conditions where municipal fleet assets are succumbed to travel on daily basis.
4. Driver and operator training, non compliance with internal measures by supervisors and drivers. (filling of log books ,trip authorities)
5. Lack of proper monitoring tool especially during the night and weekends.
6. None functioning of speedometers and/ or hour meters on most machinery.

6.1.5 Recommendations

1. To auction our old fleet assets because they are uneconomical repairs.
2. Buy one compressor track that will work for all three towns.
3. Change the old system that we are using, it harms service delivery because if the signatories are not available everything stopped. We should introduce efuel system.

For the municipality to effectively and efficiently manage the fleet assets, the following are of utmost importance;

1. Implementation of Fleet Management Systems (real-time tracking, on board computers) to effectively monitor day-to-day fleet activities as traditional paper based forms and checklists can no longer keep pace with daily fleet issues that arise daily and, therefore empowers fleet management unit to resolve fleet issues in real time and generate accurate fleet's activities reports.

2. Building of perimeter wall around the workshop and store area for safe keeping and proper centralization of municipal fleet assets.
3. Driver and operator training necessary to develop knowledge, improve competence, reduce accidents, incidents and downtime caused by breakdowns. Also improve driving efficiencies which would result in prolonged fleet useful life and increased productivity and/ or better service delivery.
4. Increase of fleet (tractors) to cater for enforceable circumstances whereby one tractor is kept and/ or reserved as standby per town.
5. Installation of speedometers and / or hour meters on all machines and equipments which currently does not have for proper monitoring and analyses of fuel consumption against kilos travelled.
6. Proper and continuous road maintenance.

6.1.6 Interventions

None by Provincial and National Governments and we need intervention on the serious note because the vehicles are not road worthy, because of the vehicles we do not know where they are but they are in the municipal name according to traffic department, therefore we cannot renew disc of all vehicles that we have due to the scenario mentioned above.

7 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

7.1 INTRODUCTION

The year has seen the credit crunch loom large and increasing signs of a faltering economy - factors that will also have had an impact on the municipality's cash flow and collection rates.

Against this backdrop we've performed well. We have sustained a solid cash flow, collection rates are reasonable, 100% of the capital budget was spent at 30 June 2012.

In the current year the annual financial statements were prepared in compliance with the GRAP accounting framework and compliance with provisions of GRAP 17 (Property, Plant and Equipment). The basis of accounting is consistent with prior years with and unbundling of infrastructure assets that were undertaken during the current financial year.

7.2 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

R'000	2012	2011
Debt Coverage		
Total Operating Revenue	81 786 643	61 886 255
Grants and Subsidies	49 482 920	48 636 348
Total outstanding service debtors	10 551 471	220 195
Annual revenue actual received for services	13 627 386	11 647 266
Cost coverage		
All available cash at year end	6 404 168	4 376 599
Investments	59 250	54 163

Source: Directorate Finance

7.3 FINANCIAL VIABILITY

7.3.1 Debt Coverage

The debt coverage and outstanding service debtors to revenue indicators have remained fairly constant in relation to the prior year's performance.

Outstanding Service Debtors to Revenue as at 30 June 2012 was R10 551 471

7.3.2 Pricing of Services

In order to remain financially viable and sustainable, the municipality must generate sufficient resources. As limited scope exists to generate alternative revenue, it is necessary to increase rates and tariffs annually.

The determining of tariffs is the responsibility of Council, as per the provision of the Local Government Municipal Systems Act. Affordability was an important factor when considering the rates and tariff increases. Consideration was also given to the alignment between the resources of the municipality, level of service and customer expectations.

7.3.3 Rates:

The levying of rates in terms of the Municipal Property Rates Act has had an impact on the rates individual property owners were charged with effect from 1 April 2012.

Properties were assessed based on the market value (which had substantial gains in value); however, the gains in terms of rates revenue were limited owing to the increase in various rebates to the different classes of ratepayers.

The cent in the rand (randage) was adjusted downward to compensate for the higher values. In addition, the impact on the indigent ratepayers was considered to ensure a limited impact.

7.3.4 Service Charges

The electricity tariffs increased by 23%, which was much higher than that of previous years mainly due to the above average increase by Centlec as approved by the National Electricity Regulator.

These above average increases are expected to continue in the medium term. The 8% increase in water tariffs are as a result of (amongst other factors), bulk purchase tariff increase from Bloemwater, the water loss intervention programme, the increase in maintenance of ageing infrastructure and the roll out of infrastructure to new areas / developments.

7.3.5 Indigents

Furthermore, due to high unemployment rate and lack of broader economic activities and the area within which Municipality is operation is affect by level of poverty as result we have high rate of indigents. The cost of the indigents was funded from the equitable share allocated to Council by National Treasury in terms of the Division of Revenue Act.

7.3.6 General

The following service delivery challenges also influenced the levels of tariffs and service charges for the municipality i.e. the developmental challenge to address the service delivery backlogs in all towns of the municipality.

The declining local economy will be insufficient to absorb the unemployed and this will have a service delivery impact and harm the ability of the municipality to sustain its revenue base to finance extended services.

The other general contributory factors for the increase in levels of rates and service charges were:

1. Salary increase of 6% with effect from 1 July 2011;
2. Provision for the filling of Critical Vacancies;
3. Rollout of infrastructure and the provision of basic services; and
4. Increased maintenance of network and structures.

7.4 INTERVENTION MEASURES PLANNED FOR 2011/12 GOVERNMENT DEBT

Over the years Naledi Local Municipality has developed a good relationship with the Provincial and National Government. There have been notable successes in recovering outstanding debts; however there is still a number of unresolved issues.

One of the most pertinent issues is the debt accumulated over a number of years more especially at all Public Works premises. Discussions will continue to resolve the impasse. By the end of the financial year other long outstanding debts will be resolved e.g. outstanding rates on schools.

7.4.1 COUNCIL PROPERTIES:

Council properties are not rateable as per the rates policy, except properties owned by trading services.

7.4.2 ARREST A DEBT:

The process of conducting road shows per wards to identify all qualify indigents is being automated so that more customers are targeted. The main intention of the Municipality is to contain debt on customers so that it doesn't become too large to manage.

Secondly, categorization of debtors per:

1. Department
2. Business
3. Households

Embark on a process of putting maps of wards on the financial system of the municipality to print monthly accounts per ward; the intention is to involve ward councilors in the process of debt coverage by going door to door per ward.

The last resort will be recommendation to council to write-off the account of all affected households or insolvent business.

7.4.3 MAJOR DEBTORS

Customers that fall under this category are those that own more than one properties or one property registered with different names. More emphasis will be put in to resolve all outstanding queries so that these accounts are always up to date.

7.4.4 RECESSION and NATIONAL CREDIT ACT

The recession had a negative impact on the collection of outstanding debts. Customers could not afford to pay outstanding amounts. Certain consumers were granted extended terms to pay. These customers could not raise loans to pay outstanding Municipal accounts because of the National Credit Act. The banks requirements for granting loans became stringent and that had a huge impact in recovering outstanding amounts.

7.4.5 OUTSTANDING CONSUMER DEBTORS PER CLASS

	Rates	Electricity	Water	Refuse	Sanitation	Sundry Services
2012 Debtor	893 754	458 876	3 203 006	1 987 315	2 726 528	1 281 982
Provision for bad debt						
2011 debtor	13 724	11 637	65 726	41 005	57 558	30 545
Provision						

for bad debt						
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Source: Directorate Finance

7.5 CAPITAL EXPENDITURE BY THE MUNICIPALITY

7.5.1 GRANTS AND SUBSIDIES

Revenue from grants and subsidies comprise a number of different types of grants. Grants can be unconditional or conditional. Conditions associated with grants prescribe the specific content and process of spending required by municipalities to access the grant.

Unconditional grants can logically only take the form of cash transfers. Conditional grants can be in the form of cash or in kind, i.e., Goods and services that are supplied to municipalities by the transferring authority.

7.5.2 PROPORTION OF GRANTS OVER THE PAST 2 YEARS IN FIGURES

Grant	2011/2012	2010/2011	Grants used for
Equitable Shares	32 542 000	29 881 536	Municipal services
MIG	13 807 975	11 764 000	Capital Projects
MSIG	1 236 538	383 099	System
FMG	1 896 408	950 507	Financial Interns
Other Grants			

Source: Directorate Finance

7.5.3 Equitable share

The rapid growth in local government's equitable share is largely due to increases in the allocations for indigent households. The growth in equitable shares is intended to assist in meeting the capital and operating costs of providing basic services to poor households.

The main purpose of the equitable share is to provide free basic services to poor households, but it also supports the specific project expenditures of the municipality.

Description	Current year 2012	Previous Financial Year of Annual Report	
R Thousands	2012	Audited Outcome 2011	
Service Charges	13 627 386	11 647 266	
Rental of building	279 324	336 997	
Interest earned – external investments	59 250	54 163	
Interest earned – outstanding debtors			
Dividend received	3 121	6 273	
Government Grants and subsidies	49 482 920	48 636 348	
Other own revenue	766 776	289 555	
TOTAL REVENUE	81 786 643	61 886 255	
Employee Cost	21 990 300	21 813 993	
Remuneration of councilors	1 725 729	1 583 342	
Bad debt		14 576 670	
Depreciation and asset impairment	18 990 224	26 487 453	
Repairs and maintenance	1 507 463	1 544 613	
Interest paid	2 513 030	2 646 580	
Bulk purchases	5 488 492	6 434 502	
General expenses	10 447 174	16 323 257	
TOTAL EXPENDITURE	62 662 411	91 405 825	

SURPLUS/DEFICIET AFTER CAPITAL	18 264 736	(29 514 142)
TRANSFERE AND CONTRIBUTIONS		

7.6 EXPENDITURE BY TYPE

ACTUAL OPERATING VERSUS BUDGET					
	2012 Actual	2012 Budget	2012 Variance	2012 Variance	Explanations of significant variances greater than 10% versus budget
	R	R	R	%	
REVENUE					
Property rates	(3 790 107)	(2 546 579)	(1 243 528)	49%	Property valuations were not reconciling to the financial system. Wepener suburb creating difficulties in updating valuations.
Service charges	(9 837 279)	(8 833 279)	(1 004 000)	11%	Budgeted for services on tariff list. Duplicated accounts (levies) on properties and incorrect tariffs charged created the variances.
Finance Income	(119 650)	(32 100)	(87 550)	273%	
Dividends	(3 121)	(5 000)	1 879	-38%	unfavourable market conditions resulted in less dividends being received.
Government grants and subsidies	(49 482 920)	(51 124 667)	1 641 747	-3%	
Rental of facilities and equipment	(279 324)	(320 000)	40 676	-13%	variances due to accounts being levied on incorrect tariffs, as well as camp rentals that were levied on accounts that should have been closed.
Fair Value Gains	(5 087)	0	(5 087)	100%	

Donations Received	17 507 467	0	17 507 467	100%	Donations were received in the current year from Motheo and Xhariep District municipality to the value of R5m each. A taxi rank was constructed on behalf of the municipality by the department of police, roads and transport to the value of 7.5m
Other Revenue	(766 776)	(1 606 448)	839 672	-52%	Revenue from environmental health services has not been received
Total Revenue	(46 776 796)	(64 468 073)	17 691 277	-27.44%	
EXPENDITURE					
Employee related costs	21 990 300	22 972 030	(981 730)	-4%	
Remuneration of councillors	1 725 729	1 826 513	(100 784)	-6%	
Depreciation and amortisation expense	18 990 224	1 500 000	17 490 224	1166%	large variance due to infrastructure unbundling
Bad debts	0	0	0	0%	
Finance costs	2 513 030	48 000	2 465 030	5135%	Variance due to large interest charged on bulk water purchases invoices unpaid.
Collection costs	0	0	0	0%	
Repairs and maintenance	1 507 463	2 291 000	(783 537)	-34%	Delay in implementation of landfill sites licensing.
Bulk purchases	5 488 492	6 000 000	(511 508)	-9%	
Grants and subsidies paid		0	0	0%	
General expenses	10 447 174	14 177 935	(3 730 761)	-26%	Cost measures have improved from the previous years
Total Expenditure	62 662 411	48 815 479	13 846 933	28.37%	
NET (SURPLUS)/DEFICIT FOR THE YEAR	15 885 615	(15 652 595)	31 538 210	-201.49%	

7.7 REPAIR AND MAINTENANCE OPERATING EXPENDITURE

Item	2011/2012	2010/2011
Operating expenditure	44 858 069.00	74 212 068
Repairs and Maintenance	1 541 681.00	1 502 522.00
% of Opex	3.44%	2.02%

Source: Directorate Finance

7.8 COMPLIANCE WITH THE MFMA

The municipality complied fully with the implementation of the MFMA by performing the following as required by the law:

2011/2012 Financial Year	2010/2011 Financial Year	Planned Date	Target Date
1. Submission of draft service delivery and budget implementation plan to the Mayor	§ Submission of draft service delivery and budget implementation plan to the Mayor	14 July 2011	14 July 2011
2. Submission of the draft performance agreements to the Mayor	§ Submission of the draft performance agreements to the Mayor	14 July 2011	14 July 2011
3. Submission of the draft performance agreements to the Mayor	§ Submission of Annual Financial Statements to the Auditor General for audit	31 August 2011	31 August 2011
	§ Tabling of the annual report and		Work in progress

<p>4. Tabling of the annual report and oversight report</p> <p>5. Submission of budget timelines for the budget preparation process</p> <p>6. Submission of section 46 report of MSA for audit</p> <p>7. Submission of monthly reports (section 71)</p> <p>8. Submission of quarterly supply chain reports to the mayor</p> <p>9. Tabling of the draft budget 90</p>	<p>Submission of Annual Financial Statements to the Auditor General for audit</p>	oversight report	31 April 2012	26 August 2011	
		§ Submission of budget timelines for the budget preparation process	31 August 2011	31 August 2011	
		§ Submission of section 46 report of MSA for audit		Monthly	
				Quarterly	
		§ Submission of monthly reports (section 71)	31 August 2011		
			Monthly		
			Quarterly		
		§ Submission of quarterly supply chain reports to the mayor	30 March 2012		
				Work in progress	
		§ Tabling of the draft budget 90 days before the beginning of the new financial year			

<div> <div>days before the beginning of the new financial year</div> <div></div> <div></div> <div></div> </div>	<div>Source: Directorate Finance</div>			
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8 LOCAL ECONOMIC DEVELOPMENT

8.1 BACKGROUND

Naledi Local Municipality was established in terms of Section 14 of the Local Government: Municipal Structures Act, Act No 117 of 1998 and was published in Provincial Gazette No 109 dated 28 September 2000. This Local Municipality is a category B municipality with a plenary executive system as contemplated in Section 3(b) of the Determination of Types of Municipality Act, 2000 (Act No 1 of 2000).

The municipality is located within Xhariep District Municipality and covers an estimated area of 11 933.24 square kilometers, 64% of which is farmland. The major towns within the Naledi areas of jurisdiction include Dewetsdorp / Morojaneng, Wepener /Qibing, Van Stadensrus / Thapelong and Farmland (rural areas).

8.2 WHAT IS LOCAL ECONOMIC DEVELOPMENT

Local Economic Development can be described as a process by which public, private and community role players within a specific area manage their shared resources in a manner that is sustainable and equitable through an inclusive and participative process. This process should ideally be based on partnership arrangements and could include the formation of new institutions, the development of alternative industries, the improvement in capacity of existing employers to produce better products, the development of new markets, the sharing of knowledge, as well as the promotion of new firms and businesses. (Blakely, 1994)

In contrast to traditional development policies, Local Economic Development strategies promote local dialogue and enable people to be more proactive; help to make local institutions better contribute to development; make economic activity dependent on the comparative advantages of a specific territory, generating development by firms more capable to withstand changes in the global economic environment rather than top-down development imposed by national planners (Wikipedia dictionary).

LED is essentially about building partnerships between role players within a shared area. These partnerships are necessary in order to identify the best means to use the resources that they share. These resources ultimately need to be used in a way that is sustainable and equitable.

LED is essentially about bringing economic benefits and an improved quality of life for all residents within an area. Since there can be no way of measuring our success in achieving our goals if we do not know what our goals are, it is essential that any LED strategy be cognizant of the primary goal of improved quality of life for all. The recognition of this fact will ensure that economic growth is not pursued as an end to itself, but rather as a vehicle through which an improved quality of life can be facilitated, particularly for poorer residents. This is also essentially the difference between economic growth and economic development.

8.3 Strategic goals of LED

8.3.1 Sustainable Economic Growth:

Has to focus on investment and growth that is based on the appropriate, effective and efficient development and utilization of Naledi's human, physical, natural, financial and social resources - in essence its comparative advantage. Developing comparative advantages should be based on using resources that are renewable and growth has to facilitate broad-based access and participation in the local economy, in order to promote equitability and sustainability. Sustainability refers to the utilization of resources in a manner that does not compromise the ability of future generations to address their specific needs (Agenda 21 definition).

8.3.2 Job creation:

Has to focus on initiatives that create meaningful, sustainable and long-term employment opportunities; and be based on meaningful skills development and training.

8.3.3 Education, Training and Skills Development:

Should be an integral part of an LED strategy and should include both formal and informal mechanisms such as mentoring and ongoing in-service training. This should be geared at developing technical and life orientation skills that encourages career growth and entrepreneurship, while the promotion of excellence in the execution of work is imperative. Investing in human resources requires increasing the capacity and ability of local education and vocational training institutions to provide the required services to the local population. Investment in human resources should promote greater equality and equity for all in terms of access to education and training facilities; it should consciously work towards addressing the specific needs and shortcomings of historically disadvantaged individuals and communities.

8.3.4 Poverty Reduction:

Has to focus on the sustainable livelihoods approach as opposed to a 'welfare' approach. While the emphasis of poverty alleviation is on mechanisms such as grants and donations, poverty reduction considers more sustained and long terms solutions. Recent initiatives in this regard focuses on facilitation of access to human, financial, natural, social and physical assets as key components of household's sustainable livelihood.

8.3.5 Broad Based Black Economic Empowerment:

Has to lead to economic empowerment that not only benefit a few; it should ultimately increase broader based participation and ownership for the majority of disadvantaged communities and individuals in the local economy. BBBEE should focus on partnership initiatives that result in skills transfer and capacity building; that contributes towards reduction of the gap between the haves and have-nots. The requirements of the BBBEE Act 53 of 2003, the National Sector Charter as well as the Codes of Good Practice should be taken into cognizance. Particular focus is required on key growth sectors and industries of relevance to Naledi such as agriculture; tourism; construction; business services and trade.

8.3.6 NALEDI MUNICIPALITY'S VISION FOR ECONOMIC DEVELOPMENT

Naledi Local Municipality's vision is to strive to be a constantly progressive municipality where quality services and a healthy and safe environment empower the harmonized community to develop their own economic security in a sustainable local future for all. Naledi Local Municipality is committed to work with all relevant stakeholders at all levels in an endeavour to advance its vision and mission. Our sustainable development strategies are focused on exploitation and support of key local economic sectors to stimulate employment and growth, intensive capital investment in basic infrastructure to attract investment and create sustainable communities. These will be realised through the creation and maintenance of systems and governance structures to ensure accountability to the community.

The planning undertaken in developing the IDP was aligned with, and complements Governments Policy Priorities for 2010/2011 Medium Term Revenue and Expenditure Framework (MTREF) and other development plans of other organs of state so as to give effect to the principles of co-operative government contained in section 41 of the Constitution.

LIST OF PROJECTS THAT LED IS RUNNING

LOCAL ECONOMIC DEVELOPMENT		WARD
1	MOROJANENG LEKOKO PIGGERY PROJECT (Dewetsdorp)	1
2	KUTLWANO POULTRY PROJECT (Dewetsdorp)	2
3	EYETHU BRICK LAYING COOPERATIVE (Dewetsdorp)	1
4	DSW BAKERY (Dewetsdorp)	1
5	Ikemeleng Basadi (Dewetsdorp)	2
6	DELA CASA – WOOD PROJECT(Dewetsdorp)	2
7	Ipopeng Basadi Poultry project (Wepener)	4
8	Ikaheng sewing and knitting (Wepener)	4
9	Phahamisanang vegetables (Wepener)	4
10	Mphatlalatsane Bakery (Wepener)	4
11	Thandolwethu piggery cooperative (Wepener)	4
12	Ahanang Bakery (Van Stadensrus)	3
13	Sunrise vegetables project (Van Stadensrus)	3
14	Lekgala Grass Project (Van Stadensrus)	3
15	Ipopeng Basadi Art project (Van Stadensrus)	3
16	Milk Dairy Goat Farming (Van Stadensrus)	3
17	Tswelopele poultry project (Van Stadensrus)	3
18	Bricklaying factory (Wepener)	4
19	Sand Mining (Cooperative) (Wepener)	4
20	Waste management project	All Wards
21	Lesere Project	3

9 INTEGRATED DEVELOPMENT PLANNING

9.1 INTRODUCTION

An Integrated Development Plan is an inclusive and strategic plan for the development of the Municipality which links, integrates and co-ordinates plans, aligns resources and forms the framework on which annual budgets must be based. The IDP also addresses the National and Provincial Growth and Development Strategies. An Integrated Development Plan adopted is the principal strategic instrument guiding all planning, management, investment, development and implementation decisions taking into account input from all stakeholders.

It reflects the following matters as imperative:

- (a) The Municipal Council's vision, mission and values for the long term development of the Municipality
- (b) An assessment of the existing level of development
- (c) The council's development priorities and objectives
- (d) The council's development strategies
- (e) The council's operational strategies
- (f) A financial plan
- (g) The key performance indicators and performance targets

In terms of Section 34 of the Municipal Systems Act, 2000:

A Municipal council:-

Must review its Integrated Development Plan annually in accordance with an assessment of its performance measurement to the extent that changing circumstances so demand; and may amend its IDP in accordance with the prescribed process.

The relationship between IDP and Performance Management is therefore legislated and regulated. The Performance Management System serves to measure the performance of the municipality on meeting its Integrated Development Plan. The SDBIP is then used to measure the above mentioned matters, to significantly align and implement these issues.

9.2 IDP CAPACITY RANKING OF THE MUNICIPALITY

The municipality IDP was rated medium by the Provincial IDP Assessment team and major issues raised by the team was sector plans which were not reviewed for some time.

9.3 SPATIAL DEVELOPMENT FRAME WORK (SDF)

The SDF was since reviewed during the 2005/2006 financial year. Housing Sector Plan was reviewed since 2009/2010 financial year.

9.4 CHALLENGES

Compilation of the statutory sector plans have been a serious challenge for the municipality e.g. WSDP; Disaster Management Plan, Integrated Waste Management Plan, Spatial Development Framework, and many others related statutory sector plan which informs the IDP.

Support from other role players especially political support; stakeholder participation requires to be re-evaluated particularly on inputs submitted; Lack of understanding by the community on the phases of the IDP; and financial capacity on development of sector plans. Training for the Acting IDP Manager still remains a challenge.

INTERVENTIONS BY NATIONAL AND PROVINCIAL GOVERNMENT, SALGA AND OTHER GOVERNMENT AGENCIES

Support on the development of credible IDP by COGTA; Soliciting support and commitment from other sector departments on behalf of the municipality during the review process.

10 DISASTER MANAGEMENT PLAN

10.1 Key Performance Area

Effective disaster prevention and response capacity for disasters.

10.2 IDP objective of the division

To promote a safe living Environment to all residents protected against natural disasters.

10.3 Measurable Indicator

Level of security attained

Reduction in disaster related incidents

10.4 Progress in the implementation of the Disaster Management Act

10.4.1 Development of Disaster Management

1. The Naledi Local Municipality has developed a Draft Disaster Management Plan in terms of the Act (Act no 57 of 2002)
2. Draft must be approved by the Naledi Council
3. The municipality is planning to have some volunteers who will be assisting us in future.
4. Appropriate personnel protective equipment will be arranged for municipal workers and volunteer in terms of the Disaster Management regulations.
5. Basic Disaster Management/Fire Fighting trained was provided by Motheo to some municipal workers.

10.4.2 Establishment of Disaster Management Advisory Forum

1. The advisory forum was established in 2011.
2. The forum comprises of the following stakeholders:
 - Naledi Local Municipality disaster division
 - Local organized framers union
 - SAPS and Traffic
 - Schools
 - Clinics
 - Community based organization

3. The municipality is intending to be a bona-fide member of the fire protection association as determined by the national Veld and forest fire act in future, Membership thereof is payable annually as determined by legislation.
4. Conducting of awareness campaigns at schools
5. Annually before the fire seasoned starts, educational campaigns are held at schools and at institutions of vulnerable people.

Amongst the issues handled during awareness campaigns were:

1. The effective handling and use of fire extinguishers
2. Drill process during evacuation
3. Demonstration an extinguishing burning vehicles
4. Human-made disaster
5. Natural disaster

Institutions and school visited are as follows:

1. Thapelong Motsekwuwa Primary School
2. Thapelong Secondary School
3. Katiso Public School
4. Tlotliso Primary School

10.5 Challenges

Training of volunteers in advanced fire fighting/ D.M level 142

1. In 2008/2009 financial year only 6 X workers could be identified for the above mentioned training. The training was funded by Motheo District Municipality.
2. The local Municipality does not have the budget muscle to fund such training.
3. The trained workers are all municipal workers some stationed in Dewetsdorp, Wepener, and Van Stadensrus.

Appointment of Disaster Management Officer

Currently Disaster Management Unit is serviced by 1 temporary municipal employee, with assistance from both District & Provincial Department. There is a need to have a permanent division dealing exclusively with disaster and a dedicated person coordinating all disaster related activities.

The need was identified in 2011/2012 financial year for the appointment of a full time coordinator but due to budgetary constraints this could not be realized. This has posed a serious risk as the DM function and activities are more reactive than proactive.

Currently there are only two vehicles

1. Land Rover fully equipped (but service is needed)
2. Toyota Land Cruiser fully equipped (but major service is needed) rescue vehicle for the whole of the municipality.

These vehicles are based in two towns which is Dewetsdorp and Wepener, but are expected to serve the whole of Naledi the furthest town (Vanstadensrus) being plus minus 70km away. This fire engines servers with a water tank of 500lt capacity.

Disaster Control Room Operating

1. Currently there is no control room.
2. The SAPS communicate with Municipal Officer to relay messages to municipal employees who are on standby.
3. Often the info relating to disaster is communicated late (or not at all) to municipal employees, resulting in poor or late response to the scene.

Dedicated DM/Fire Brigade Service

Currently Disaster Management Unit is serviced by 1 temporary municipal employee, with the assistance from both District & Provincial Department. Use is made of some Municipal employees to assist during response times- the response time to the scene is often compromised as result.

The quick response is also subjected to the availability of dedicated personnel. There is no dedicated personnel to deal with daily operational and strategic activities/functions of the service. The service is reactive rather than proactive as demanded by the act.

Interventions by National and Provincial Government, SALGA and Government Agencies

Assistance in terms of emergency housing

Once the disaster has occurred; the Provincial Department of CoGTA and Xhariep are informed about the magnitude thereof.

Emergency housing assistance is often afforded to victims of the disaster by way of movable shacks by CoGTA. There were two cases of households disaster reported during the year under review and reports for these cases were issued to Xhariep District.

Training Afforded by I.T.O Xhariep Basic Fire Fighting

No training was afforded by the district during 2011/2012 financial year.

11 PUBLIC PARTICIPATION AND GOOD GOVERNANCE

11.1 WARD COMMITTEES

11.1.1 Status of ward committees

Naledi local municipality has four wards and all the ward have fairly functional ward committees comprising of then members each. The ward councillor in each ward serves as the chairperson of the committee. The members of the ward committee were elected through public participation process and nomination forms were submitted where members accepted to be nominated. There is a fair representation of all stakeholders in the committees.

11.1.2 Functionality of ward Committees

Although there is no adherence to the agreed upon schedule of sitting of the ward committees, they are able to sit at reasonable intervals and are able to attend to the problems of the community fairly well. The council support officer, who is based in the office of the mayor, provides technical support to the committees.

As eluded earlier, each committee is comprised of ten members with the ward councillors as the chairperson and one members of the committee elected to be the secretary.

11.2 COMMUNITY DEVELOPMENT WORKERS (CDW)

All wards have been allocated CDW's by the department of Cooperative Governance and Traditional Affairs. They report to the manager in the office of the Mayor/Speaker. They report on monthly basis and the report is shared by the Speaker and Cogta.

The relations between the CDWs and the ward councillors are fairly well with some contradictions at times when it comes to the roles and responsibilities of one another.

11.3 INTERGOVERNMENTAL RELATIONS

The municipality participates in both political and technical IGR of the district and the province. Convening the local IGR proved to be unsuccessful. There other stakeholders are either not interested or they do not understand the importance of the forum.

11.4 COUNCILORS

<u>NAME</u>	<u>POSITION</u>	<u>ORGANISATION</u>
Mpolokeng Mahase	Speaker / Mayor	ANC
Mpho Tladi	Ward Councilor	ANC
Lucia Sehloho	Ward Councilor	ANC
Molantoa Seoko	Ward Councilor	ANC
Johny Makitle	Ward Councilor	ANC
Mojalefa Mahloko	PR councilor	ANC
Khotso Rakhunoana	PR Councilor	COPE
Melville Haddad	PR Councilor	DA

11.4.1 IMBIZOS

The Mayor has conducted Imbizos in all wards of the municipality in this financial year under review. These were organised per stakeholders and per ward.

Particular attention was given to the elderly and people with disabilities. Other meetings were specifically requested by the community.

12 PERFORMANCE MONITORING, REPORTING AND EVALUATION

BASIC SERVICE DELIVERY

<u>Key performance Area</u>	<u>IDP/MTAS strategic objective</u>	<u>Measurable Indicator</u>	<u>Unit of measure</u>	<u>Target</u>	<u>ANNUAL PERFORMANCE REPORT</u>		<u>Challenges/ limitations</u>	<u>Corrective actions</u>
					Proj	Actual		
Basic service delivery	<p>To provide sufficient access and distribution roads in Naledi areas</p> <p>To maintain a good quality standard in all roads and storm water infrastructure</p>	<p>Construction of low level Bridge and access road in Wepener</p> <p>(Project brought forward due to the urgent requirement from recent fatality incident.</p>	Km of roads paved, Number of bridge constructed.	<p>1Km</p> <p>1 Low level bridge</p>	0.5Km	0.5Km	Complete	None
		<p>Upgrading of internal streets in Naledi Local Municipality Dewetsdorp, Morojaneng</p>	KM of roads paved/ tarred	<p>1,5 Km</p> <p>Paved</p>	1.5Km	1.5Km	Complete	None

	To provide sufficient water to the highest affordable level to all communities	Resuscitation of 4 Dysfunctional Boreholes in Wepener	Number of resuscitated boreholes	6 Boreholes	6 Boreholes	6 Boreholes	Complete	None
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<u>Key performance Area</u>	<u>IDP/MTAS strategic objective</u>	<u>Measurable Indicator</u>	<u>Unit of measure</u>	<u>Target</u>	<u>ANNUAL PERFORMANCE REPORT</u>		<u>Challenges/ limitations</u>	<u>Corrective actions</u>
					Proj	actual		
		Resuscitation of 7 Dysfunctional Boreholes in Dewetsdorp	Number of resuscitated boreholes	7 Boreholes	6 Boreholes	6 Boreholes	Complete	None
		Resuscitation of 2 Dysfunctional Boreholes in Van Stadensrus	Number of resuscitated boreholes	6 Boreholes	6 Boreholes	6 Boreholes	Complete	None
	Phase out buckets systematically by making use of alternative technologies where viable and accepted To provide sufficient electricity and areas lighting to the	Install 0.5ml elevated water tank and interlinking pipeline in Dewetsdorp	Water tank installed, upgrade the bulk supply line, pumping facilities and interlinking pipe work	0.5 Mg/l, 10Km bulk water pipeline	Phase 1 Water leakage management	Phase 1 Water leakage management in progress	Delay of appointment of a contractor	Adjudication committee to be seated and appoint a contractor in September 2012

	highest affordable level to all communities	Upgrading of waste water treatment works in Van Stadensrus	Number of ponds	4 Ponds	2	3 Ponds	The project is running smoothly	Sub- contractor appointed is still busy on site with the oxidation ponds
		Waterborne Sanitation- Relocation of Raw Sewer Pump Station and connection of 150 households- Dewetsdorp (Hill site, river site)	Number of buckets eradicated +150. And relocation of 1 Pump station	150	Procurement	0	DWA does not recommend the project for funding by MIG.	Register a new project with MIG.
		Electrification of outstanding households in Wepener	Number of households electrified	3	3	3	none	none
		Electrification of outstanding households in Dewetsdorp		3	3	5		
	To provide sufficient refuse removal and	Illegal refuse dumps	Number of illegal dumping sited	10 Dumpin	3	Five (05) illegal	The Municipality does not have	Sufficient budget must be allocated for

	waste disposal facilities to the highest affordable level to all urban areas	eradicated by end of March 2012.	eradicated:	g sites		dumps were eradicated . Two were converted to community parks by volunteers .	plant (yellow fleet) and sufficient budget and personnel. Community ignorance	awareness campaigns and plant.
		Effective refuse collection	Once a week in all households	weekly	Weekly	Done	Lack of adequate refuse removal equipment.	Source funding to procure suitable equipment.
	To capacitate all urban communities regarding the functioning of all services and infrastructure	Conduct awareness campaign on environmental health issues (illegal dumping of refuse)	9 awareness campaigns	0	3	Four(04) awareness campaigns base on nine programs of Municipal Health service were conducted	Municipal health services are not budgeted for.	According to the National Health Act and the provincial gazette number 10 of 2011 said the Municipal health Service is competency of the Xhariep district Municipality. Therefore the devolution of services needs to take place where sufficient budget will be allocated to the

								function.
To eradicate the housing backlog	Construction of 150 houses in Van Stadensrus	Number of houses to be constructed	150 houses	150	40	Land	Purchasing of the land and expropriation	
	Construction of 200 houses in Dewetsdorp	Number of houses to be constructed	200 houses	200	131	Failure of department of HS to pay contractors	Intervention by the Dept of HS to fast-track payments of the contractors	
	Construction of 150 houses in Wepener	Number of houses to be constructed	150 houses	150	142	Construction is in progress	Still in progress	
	Formalization of 115 households in Van Stadensrus	Number of households formalized	115 site to be formalized	115	N/A	N/A	N/A	
	Review of the Housing Sector Plan	1 Housing sector plan reviewed.		Workshop with stakeholders for inputs	1 housing Sector Plan	Source funding to appoint service provider as there's no capacity to review internally	To appoint service provider	

	To develop, upgrade and maintain sports and recreational facilities	Multipurpose Sports Complex (Van Stadensrus) (Project is on hold, Budget maintenance in process)	Percentage of work completed	100%	55%			
	To promote the further education and training of the entire community with the focus on production and technical skills	Ward committees established	Number of ward committees	All ward committees established by end of Oct. 2011	4	4	None	None

PUBLIC PARTICIPATION AND GOOD GOVERNANCE

<u>Key performance Area</u>	<u>IDP/MTAS strategic objective</u>	<u>Measurable Indicator</u>	<u>Unit of measure</u>	<u>Target</u>	<u>ANNUAL PERFORMANCE REPORT</u>		<u>Challenges/ limitations</u>	<u>Corrective actions</u>
					<u>Proj</u>	<u>Actual</u>		
Public participation and good governance		Ward committees trained by 31 December 2011.	Number of trainings conducted	One training conducted	One training conducted	One	None	None
		CDWS assigned to ward committees by end of December 2011	Number of CDWS	5 CDWs	5	5	None	None
		Broader public participation policies and plans Policy developed by end of December 2011.	Number of policies	1	1	0	No person allocated to the task	To appoint a PPO on acting capacity

		Communication strategy developed by end of December 2011.	Workshop the draft policy/Strategy.	1	1	Draft	To be assessed	To be taken to GCIS for assistance and assessment
		Develop draft complaint management system by 31 st December 2011	Develop complaint management	1(one)	1	0	Lack internal capacity to develop a comprehensive complaints management system	Request assistance from CoGTA.
		Develop an integrated ward meeting schedule for the municipality by 31 st December 2011.	Develop an integrated ward meeting schedule	1(One)	1	1	None	None
		Delegations approved by the 31 st November 2011	1(one)	1	1	1	None	None
		All councilors trained on local government legislations by end of October	1(one)	1	1	1	None	None

LOCAL ECONOMIC DEVELOPMENT

<u>Key performance Area</u>	<u>IDP/MTAS strategic objective</u>	<u>Measurable Indicator</u>	<u>Unit of measure</u>	<u>Target</u>	<u>ANNUAL PERFORMANCE REPORT</u>		<u>Challenges/ limitations</u>	<u>Corrective actions</u>
					Proj	Actual		
Local economic development	To develop SMME's with access to resources such as skill and finance	Review of the Local Economic Development Strategy	Reviewed LED Strategy	To have LED Strategy Document	Draft LED Strategy	Draft strategy	None	None
		Support and Establishment of Cooperatives	No. of Cooperative. 8	8	2	2	None	None
		LED/Business support and capacity building	Provide trainings/ workshop	8	No training/ workshop conducted	none	Budget	To be budgeted for in the next financial year.

		Development of 8 farms in Naledi	# of farms developed		Engagem ent with the district municipal ity	0	Information not readily accessible	NDA and Dept. Agric consulted
		Establishment of Goat dairy farming in Van stadensrus.	Establishment of goats dairy farming	1	1	1	None	None

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

<u>Key performance Area</u>	<u>IDP/MTAS strategic objective</u>	<u>Measurable Indicator</u>	<u>Unit of measure</u>	<u>Target</u>	<u>ANNUAL PERFORMANCE REPORT</u>		<u>Challenges/ limitations</u>	<u>Corrective actions</u>
					<u>Proj</u>	<u>Actual</u>		
Municipal transformation and institutional development	Organizational Performance Management System developed	Review and adoption of OPMS by the 31 December 2011	Adopted OPMS by council	Adopted OPMS by 31 December 2011	Adopt OPMS	Adopted OPMS by 31 December 2011	Adopt OPMS	1 OPMS Adopted Council to approve draft framework for OPMS
	Revision of the integrated development plan	A revised integrated development plan approved and credible	Comprehensive IDP with updated sector plans and compliment budget	1 reviewed integrated development plan approved and credible	(a) Analysis Phase: adoption of the framework (b) revival of the steering committee	1 reviewed integrated development plan approved and credible	(a) Analysis Phase: adoption of the framework (b) revival of the steering committee (c) implementation plan for the review of all sector plans	IDP approved by Council Sector plans submitted to Acting MM for approval & Service provider to be appointed

					(c) impleme ntation plan for the review of all sector plans			
	LLF meetings convened as planned	Develop the schedule for LLF meetings by end of December 2011	Developed schedule for LLF meetings.	Develop ed schedule for LLF meeting s by end of Decemb er 2011	Develop ment of LLF meeting schedule	Monthly LLF Meetings held	None	Implementation of decisions/resolution s taken on time
	Recruitment and selection policies and procedures developed	Review and adoption of policy by council	Adopted Policy on Recruitment and selection	Recruit ment policy in place by the 30 Decemb er 2011	Draft policy develope d	Policy still to be approved by Council	Section 79 Committee is unable to sit due to Councilor's schedules	Speaker/Mayor & Municipal Manager to intervene
	Municipal Manager and Section 57 appointed with	To have signed performance agreement of the MM	Signed performance agreement of the MM	11 October 2011 - The	Signed Performa nce agreeme	All signed	None	None

	signed Performance Agreements	Other section 57 managers to have signed performance agreement within 30 days of appointment	Other section 57 managers to have signed performance agreement within 30 days of appointment	municipal should have a signed performance agreement	nts			
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FINANCIAL VIABILITY AND MANAGEMENT

<u>Key performance Area</u>	<u>IDP/MTAS strategic objective</u>	<u>Measurable indicator</u>	<u>Unit of measure</u>	<u>Target</u>	<u>ANNUAL PERFORMANCE REPORT</u>		<u>Challenges/ limitations</u>	<u>Corrective actions</u>
					Proj	Actual		
Financial viability and management	Revenue enhancement programme	Employment of Revenue Manager	1	1	1	1	According to Organizational Structure under the year reviewed the Manager Revenue is Accountant Revenue	The post was filled on the 01 June 2012
		Increase in collection rate	%	30%	30%	6%	Busy with the purification of billing system and the training of the financial system	Property rates policy and BY Laws is fully implemented and the cleansing of the billing system is in progress
		Employment of Customer Care Staff	3	3	3	1	The posts is budgeted for and the post will be advertised for the next financial year	One employee is allocated for customer care
		Acquisition of the motor vehicle for	1	1	1	0	The Motor Vehicle not Budgeted for	Meter reader schedule changed

		meter readers					under the year review due to the non -funding	all towns is reading for their towns
		Updated indigent register	%	100%	50%	50%	The Indigent register is updated	The Municipality is busy registering the indigents
		Building of the customer care and cashier offices in Wepener.	%	100%	100%	0%	The Customer care and the Cashier office did not budgeted for year under review due to the non - funding	The Municipality to request the funding
	Debt management programme	Debts to be reduced by 30% by end of June 2012	%	30%	30%	80%	80% of the debt is paid	Only one major creditor is still outstanding(Bloem -Water)
	Cash Flow Management	Application of a fully used EFT method by the end of June 2012	%	100%	100%	99%		99% of the EFT payments is implemented
		Adherence to arrangement made to creditors by the 30 th June	%	100%	100%	40%	Only Auditor General was paid in full by 30 June 2012	Bloem Water is in progress

		2012.						
		Creditors to be paid within 30 days after the receipt of the invoice/Statement	%	100%	100%	95%	5% paid late due to late invoices	95% paid within 30 days of the received of the payments
		Employment of Financial Management/ Support Services (Senior Accountant)	2	2	2	2	According to Organizational Structure under the year reviewed the Manager Financial Management/ Support is Accountant Expenditure/ Budget and supply Chain	The posts was filled on the 01 June 2012
		Development of the Budget Programme aligned to the IDP timeframes	%	100%	100%	100%	None	None
Submission of Annual Financial Statements	AFS were submitted in time: 31 August 2011		100%	100%	100%	100%	Submitted on the 31 August 2011	none

% MIG expenditure by end of financial year	60% expenditure as at end of June 2012	100% expenditure by end of the MIG financial year	%	60%	60%	66%	We have exceeded our baseline although we have experience challenges in completing the total received MIG allocation	Appointment of Technical staff and proper implementation
Asset management register developed.	Asset register is in place but it might not be correct because it is being updated manually (Spreadsheet)	Updated asset register by the 30 th June 2012	%	100%	100%	100%	Assets register is in place still need assistance from financial system to upload into the financial system	Assets register to be uploaded into the financial system